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(Rev.)



The Small Farmer Under AAA  
(Revised)

Farm Program Open to Participation by All Farmers

The Agricultural Adjustment Administration has always held the position that the success of national agricultural programs depends upon cooperation in the necessary acreage adjustments by the greatest possible number of the Nation's farmers. Therefore, the various measures have been open to participation by large producers as well as by small ones.

However, in the development of the national farm program, the objective of aiding the operator of the family-sized farm has always been of primary importance, and the program contains many provisions designed especially to assist small farmers.

Increase in Small Payments

The program provides for proportionate increases in payments of less than \$200. The following schedule for such increases is provided and fixed by Section 8 (e) of the Soil Conservation and Domestic Allotment Act, as amended by the Agricultural Adjustment Act of 1938:

<u>Payment earned</u>	<u>Amount of increase</u>
\$20 or less . . . . .	40 percent
\$21 to \$40 . . . . .	\$8 plus 20 percent of amount over \$20
\$41 to \$60 . . . . .	\$12 plus 10 percent of amount over \$40
\$61 to \$186 . . . . .	\$14
\$186 to \$200 . . . . .	Enough to increase payment to \$200
\$200 and over . . . . .	No increase

About 92 percent of the 5 3/4 million farmers who cooperated in the 1939 Agricultural Conservation Program received these automatic increases in their conservation payments.

Minimum Payment for Each Farm

Under the agricultural conservation program, any farmer has the opportunity to earn at least \$20 for complying with special crop acreage allotments and for carrying out soil-building practices. If the largest amount to which a farmer may be entitled for compliance with acreage allotments is less than \$20, the amount which he may earn for carrying out soil-building practices will be increased, if necessary, so that his minimum payment may be at least \$20. If a farmer also takes advantage of the special provision under which he has the opportunity to earn up to \$15 for planting forest trees, his minimum payment may be as much as \$35.

Other "Small Farmer" Provisions of the ACP

No reduction is required of those farmers whose total planted and diverted cotton acreage was 5 acres or less in any of the preceding 3 years (this 5 acres to consist of cotton acreage planted plus any acreage that may have been diverted from the production of cotton under the conservation program), and a special reserve is set up for those cotton farmers whose allotments are between 5 and 15 acres.



Nonallotment options are included by which farmers with small allotments may plant up to 10 acres of wheat or corn (in the commercial corn area) and 20 acres of general crops without incurring any deductions from the payments computed for their farms. In certain areas where feed crops are not generally produced for market, any farmer may grow as much as 30 acres of soil-depleting crops without incurring deductions. Tenants' and sharecroppers' interests are protected by special provisions to guard against unfair practices and displacement from farms.

#### Marketing Quotas

When marketing quotas are in effect, special provisions in the Agricultural Adjustment Act of 1938 benefit the small producer.

For example, a producer may market free of penalty all the wheat grown on his farm during the year if the normal production of the acreage planted is less than 200 bushels, all the corn grown on his farm during the year if the normal production of the acreage planted is less than 300 bushels, and all the cotton grown on his farm during the year if a cotton acreage allotment has been made for the current year and the actual production during that year is 1,000 pounds or less of lint cotton.

Tobacco producers may market free the actual production of their acreage allotments. The acreage allotments of small producers (except new producers) may be increased up to 20 percent, but not beyond an acreage which would normally produce 3,200 pounds of flue-cured, or 2,400 pounds of other kinds of tobacco.

#### General Benefits Available to All Farmers

There are of course general provisions included in the AAA farm program, besides conservation and parity payments to cooperating farmers, which operate to the advantage of all producers, whether large or small, and which afford equal rights and privileges. These include:

The right to expand and decrease production together with other producers. Since adjustments are made on a national basis, no one farmer has to bear more than his share of the burden of adjusting crop acreage to demand;

Improved prices for crops because markets are not overloaded with surplus production;

Loans on agricultural commodities;

Crop insurance on wheat;

The right to vote in referendums on whether or not marketing quotas shall be in effect for any particular crop. Every producer of the commodity in question, no matter what his total production of the crop may be, is entitled to one vote.

#### Administration of Program by Elected Farmer Committees

Each farmer who cooperates in the agricultural conservation program automatically becomes a member of his local county agricultural conservation association, and has the right to vote in the election of community committees and delegates to the county convention, at which the county committee is elected. These committees administer the program locally, and have a direct influence on the formulation of farm programs.

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